

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	EQUITABLE RESOURCES)	DIVISION OF
	EXPLORATION)	GAS AND OIL
RELIEF SOUGHT:	EXCEPTION TO)	DOCKET NO.
	STATEWIDE SPACING)	VGOB-94-0118-0432
	LIMITATIONS PROSCRIBED)	
	BY VIRGINIA CODE ANN.)	
	§ 45.1-361.17(A)(2))	
LEGAL DESCRIPTION:)	
)	
	WELL NUMBER V-2373)	
	VICC TRACT NO. WI-108)	
	COEBURN QUADRANGLE)	
	LIPPS MAGISTERIAL DISTRICT)	
	WISE COUNTY, VIRGINIA)	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This cause came on for hearing before the Virginia Gas and Oil Board (hereinafter "Board") at 9:00 a.m. on February 15, 1994, Ratliff Hall, Southwest Virginia 4-H Center, Abingdon, Virginia.

2. Appearances: James E. Kaiser of the firm Hunter, Smith and Davis, appeared for the Applicant, and Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.

3. Notice and Jurisdiction: The Board finds that it has jurisdiction over the subject matter. The Board also finds that the applicant has exercised due diligence to locate and provide notice to all persons/companies entitled to notice of this proceeding.

4. Relief Requested: Applicant requests an exception to statewide spacing requirements set forth in Section 45.1-361.17 of the Code of Virginia, 1950 as amended, for EREX Well Number V-2373 for the production of conventional gas from the surface to total depth drilled of 5,250 feet and all areas in between, including, but not limited to the Upper Devonian Shales, Berea, Weir, Ravencliff, Maxon and Big Lime Formations, all in accordance with Applicant's well work permit. The Applicant requests the Board's consent to drill Well Number V-2373 closer than 2640 feet to EREX Well Number V-2707.

5. Amendment: None.

6. Reasons Relief Should be Granted: Evidence presented on behalf of the Applicant shows, and the Board finds, that based on the deposition of the common sources of supply anticipated between surface and total depth projected to be drilled, the proposed location exception represents the optimum location to recover commercially productive hydrocarbons underlying the drilling and spacing unit.

A qualified landsman testified that the location exception was necessary due to environmental constraints and effective land management practices.

A qualified petroleum geologist testified that the granting of the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of hydrocarbons underlying the drilling and spacing unit.

7. Relief Granted: The requested relief in this cause be and hereby is granted allowing the applicant to permit and drill Well Number V-2373 within 2,499.52 feet of Well Number V-V-2707 at the location depicted on Exhibit A.

8. Findings: That the well location exception, in accordance with the foregoing, is necessary to prevent waste, protect correlative rights and to generally effect the purposes of the Virginia Gas and Oil Act.

9. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 24th day of March, 1994, by a majority of the Virginia Gas and Oil Board.

Benny R. Wampler
Chairman, Benny R. Wampler

DONE AND PERFORMED this 24th day of March, 1994, by Order of this Board.

Byron Thomas Fulmer
Byron Thomas Fulmer
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 24th day of March, 1994, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Susan G. Garrett
Susan G. Garrett
Notary Public

My commission expires 7/31/94

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 24th day of March, 1994, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron T. Fulmer, being duly sworn did depose and say that he is Principle Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis
Diane J. Davis
Notary Public

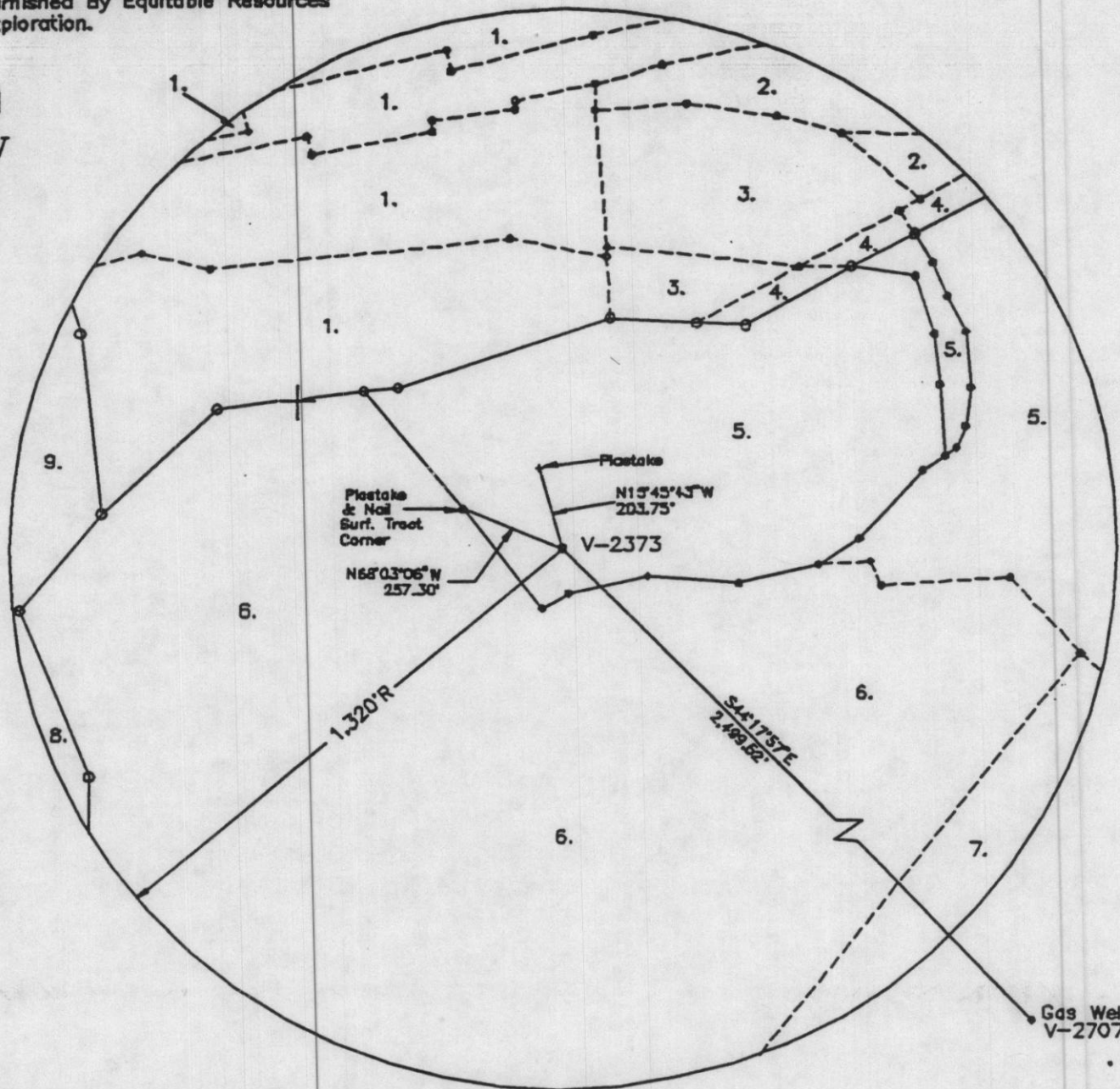
My commission expires 9/30/97

10,670'

LATITUDE: 36°57'30"

LONGITUDE: 82°22'30"

NOTE: Surface & Mineral Interest
Composited From Information
Furnished By Equitable Resources
Exploration.



AREA OF WELL UNIT = 125.66 AC.

Well Elevation determined by trigometric leveling
from VCC Survey Mark No. TC 46-80.2

Well Coordinates (VA State Plane)
N245,411.55 E857,179.02

WELL LOCATION MAP

COMPANY EQUITABLE RESOURCES EXPLORATION

TRACT NO. WI-108

ELEVATION 2028.43'

WELL NAME AND NUMBER V-2373

COUNTY WISE

DISTRICT LIPPS

SCALE 1"=400'

DATE 12-6-93

This plat is a new plat X; an updated plat _____; or a final plat _____

+ Denotes the location of a well on United States topographic Maps, scale 1
24,000, latitude and longitude lines being represented by border lines shown.

Barry H. Spry
Licensed Professional Engineer or Licensed Land Surveyor

Form DGO-GO-7

Exhibit A